GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:304
ANSWERED ON:02.08.2011
HIKE IN MILK PRICES
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Will the Minister of AGRICULTURE be pleased to state:

(a) the details of production and consumption of milk in the country, State-wise;

(b) whether the prices of milk have risen several times during the last two years and the current year;

(c) if so, the details thereof alongwith the reasons therefor; and

(d) the steps taken by the Government to bring down the prices of milk and to improve the production of milk in the country?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE AND FOOD PROCESSING INDUSTRIES (Dr. CHARAN DAS MAHANT)

(a) The details of estimates of milk production in the country, State-wise, during 2009-10 are enclosed as Annexure I. Estimates of consumption of milk, State-wise, as available from the National Sample Survey Office, Ministry of Statistics and Programme Implementation during 2004-05 is enclosed as Annexure II.

(b) Yes, Madam.

(c) As per information available in the website of Office of Economic Adviser, M/O Commerce and Industries, Wholesale Price Index (WPI) of milk (Base 2004-05= 100) during 2009-10 was 133.1 on 04.04.2009 and 170.5 on 27.03.2010. During 2010-11, the WPI of milk was 170.5 on 03.04.2010 and 177.1 on 26.03.2011. During the current financial year, the WPI was 177.4 on 02.04.2011 and 193.5 on 09.07.2011. Increase in prices is mainly attributed to increase in cost of production.

(d) The price of milk is not regulated by Central Government. The Government has taken following measures to augment the availability of liquid milk and to stabilize the prices of milk and milk products in the domestic market:-

1. National Dairy Development Board (NDDB) was allowed to import about 30,000 MT of Skimmed Milk Powder and Whole Milk Powder and 15,000 MT of Butter, Butter oil and Anhydrous Milk Fat at 0% concessional duty under Tariff Rate Quota (TRQ) for the financial year 2010-11 to meet the requirements of Metro Dairies and State Milk Federations.

2. Export of milk powders (including skimmed milk powder, whole milk powder, dairy whitener and infant milk food), Casein and Casein products have been prohibited with effect from 18.02.2011.

3. Export incentives under Vishesh Krishi Gram Udyog Yojna for milk & milk products have been withdrawn.

4. State Milk Federations have been instructed to take all necessary action to ensure adequate availability of liquid milk to the consumers at a reasonable price. Government of India is implementing the following schemes for increasing the production of milk:

(i) National Project for Cattle & Buffalo Breeding

(ii) Intensive Dairy Development Programme

(iii) Dairy Entrepreneurships Development scheme (DEDS)